

ORIGINAL

SUN LEISURE ESTATES UTILITIES COMPANY  
RECEIVED



0000110118

TO: Jeffery M. Michlik  
Utilities Division  
Arizona Corporation Commission

2010 APR 14 A 9:33

DOCKET CONTROL

Arizona Corporation Commission

DOCKETED

APR 14 2010

FROM: Chuck Swysgood, President  
Sun Leisure Estates Utilities Co.

DATE: April 12, 2010

DOCKETED BY	
-------------	--

RE: SUN LEISURE ESTATES UTILITIES COMPANY'S RESPONSE TO THE  
**AMENDED STAFF REPORT** FOR SUN LEISURE ESTATES UTILITIES  
COMPANY, INC.'S APPLICATIONS FOR A PERMANENT RATE  
INCREASE AND FINANCING APPROVAL ( DOCKET NOS. W-02386A-  
09-0308 AND W-02386A-09-0554).

Mr. Michlik,

The Company would once again like to thank you and the Staff for all your help and cooperation in putting our rate and financing application process together.

After reviewing the recommendations contained in the AMENDED STAFF REPORT, the Company believes that the Staff has addressed the concerns the Company had raised in our earlier response to the original Staff Report on our request for a permanent rate increase.

The Company believes that the Staff recommended rate increase of 42.25 percent will provide the Company with the revenue necessary to address the concerns of our customers in having a backup well and allow us to retire the debt in a timely manner.

The Company believes that the Tiered Rate Design recommended by Staff is a significant improvement over our current rate design and allows for an incentive for conserving water by applying a higher rate for excessive water consumption.

The Company believes that the other Staff recommendations contained in the Executive Summary of the Amended Staff Report dated April 2, 2010 are reasonable and can be complied with.

Respectfully,

Chuck Swysgood, President  
Sun Leisure Estates Utilities Co. Inc.